GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1883
ANSWERED ON:24.08.2007
INSPECTION BY IRDA
Pallani Shamy Shri K.C .

Will the Minister of FINANCE be pleased to state:

:

(a) whether Insurance Regulatory Development Authority (IRDA) inspects the insurance companies to ensure consumer interests ;

(b) If so, the details thereof; and

(c) If not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a), (b) & (c): Yes, Sir. The Insurance Regulatory & Development Authority (IRDA) has reported that it carries out both off site and onsite inspections of all insurance companies in terms of the powers vested under section 14(2)(h) of IRDA Act, 1999. IRDA regularly monitors their solvency issues and financial repenting norms through off site inspections. IRDA has also established a separate Inspection Department for carrying out onsie inspections at the offices of insurance companies. During onsite inspections, IRDA examines the extent of compliance of statutory provisions and regulatory directions by insurance companies including their market conduct, operational practices and overnance norms in vogue.